



A Jobs Plan for Minnesota

Getting Minnesota Back to Work

Getting Minnesota back to work is our top priority this legislative session. To help get Minnesota back to work, Governor Dayton and DFL Legislators have come together to create a series of proposals designed to help businesses create more good jobs in Minnesota. This new job growth plan focuses on things that have proven to work: providing businesses with new incentives to create jobs, improving workforce development and training, and investing in infrastructure. These investments in our state's economy and future prosperity will help position Minnesota for success by putting thousands of Minnesotans back to work.

Helping Businesses Grow Jobs

New Jobs Tax Credit: The New Jobs Tax Credit is focused on immediate job creation. It would provide businesses with a \$3,000 tax credit for each unemployed Minnesotan, Veteran or recent graduate hired in calendar year 2012 and a \$1,500 credit for each new hire through June 2013. This \$35 million initiative would create over 10,000 new, private-sector jobs each year.

Invest in Infrastructure: A new bonding bill, to be announced next week, would provide \$775 million for new investment in infrastructure, allowing primarily private-sector employers to put tens of thousands of Minnesotans back to work.

The bill would also include \$20 million in bonding requests by the Department of Employment and Economic Development specifically designed to help businesses expand in Minnesota. These initiatives would provide grants to cities for business infrastructure, help local authorities renew old property for business development and aid in the development of transportation improvements focused on businesses.

Help Minnesota Compete for Business Expansion: \$10 million in additional funding would be provided for the Minnesota Investment Fund, which has a track record of helping Minnesota to attract businesses to locate or expand here. In the last legislative session Governor Dayton secured \$3 million in funding for the Minnesota Investment Fund. Prior to that, the fund had received only

\$4 million since 2005 well below the funding level for similar funds in our neighboring states. The money secured in the special session has allowed DEED to attract new business to Minnesota, resulting in \$46 million in private investment and the creation of 218 new jobs. Communities across the state, including Faribault, Owatonna, Sauk Rapids and Jackson, have been able to attract new companies thanks to this fund.

Internet Sales Tax Fairness—Affiliate Nexus: Under current law, out-of-state retailers that do not have a physical presence in Minnesota are not required to collect the sales tax on online purchases used and consumed in Minnesota. As a result, a large portion of the taxes due on sales by large internet retailers—such as Amazon—go uncollected. This results in a loss of state revenue and gives these remote retailers an unfair competitive advantage over Main Street Minnesota retailers. Passing the Internet Sales Tax Fairness bill would level the playing field for Minnesota businesses and generate about \$3.5 million in FY2013.

Training Our Workforce for the New Economy

Expand the FastTRAC Initiative Statewide: Minnesota FastTRAC helps underprepared adults succeed in the workplace by integrating basic skills education and career-specific training in fields where new skills are in high demand. By addressing local skills gaps, FastTRAC programs work as effective supply chains for employers in need of skilled labor. This approach helps match business needs with workforce development more efficiently. To date, 88% of participants in FastTRAC credit-bearing courses have successfully completed their course. An expansion of FastTRAC statewide would cost \$4.5 million/year. By 2013, the overarching goal is to serve 3,000 adults and establish 50 FastTRAC adult career pathways offered at MnSCU campuses.

Minnesota Opportunity Grants Pilot Program: These grants will go to adults who pursue and complete short-term education and training at a Minnesota State Colleges and Universities institution in regionally high-demand career fields, as identified by DEED's Current Demand Indicator. The Opportunity Grants will provide a \$2,000 grant for 2,000 Minnesotans for up to two semesters of training for jobs that pay more than 175% of the poverty level.